

**APPROVED MINUTES
BOARD OF TRUSTEES FOR THE CITY OF GALVESTON
EMPLOYEE HEALTH BENEFITS PLAN
REGULAR MEETING
JANUARY 18, 2018**

1. Declaration of a Quorum, Call Meeting to Order, and Roll Call.

With a quorum present, the meeting was called to order at 1:01 p.m. by Chair Doug Balli.

Doug Balli (Chair) – Trustee

Charles Dodson – Trustee

**Arrived at 1:09 p.m.*

Michael Loftin – Trustee

Mark Murchison – Trustee

Kent Etienne – Trustee

Stewart Goff – Trustee

Matthew Gauen – Boon-Chapman

Kimberly Danesi – Park Board

Laura Camcioglu – Port of Galveston

Christy Shinn – City Staff

Mareia Schreiber – City Staff

Donna Fairweather – City Staff

**Arrived at 1:08 p.m.*

2. Conflicts of Interest.

None.

3. Public Comment on Agenda Items and Non-Agenda Items.

The City Council adopted a policy requiring that agendas for all City board, commission, and committee meetings include a section designated for public comment on both agenda items and non-agenda items. Members of the public may speak for a maximum of three (3) minutes regardless of the number of items being addressed.

No Public Comment was received.

4. Approval of the Minutes for the Regular Board Meeting of December 19, 2017.

Motion to Approve the Minutes from the December 2017 Meeting made by Mark Murchison with a second by Kent Etienne. Unanimously approved.

5. Continuing report on implementation of CareHere Clinic participant “no show” administrative procedures, report on employee HRA participation, and overall employee health plan/financial participation-utilization information.

Kent Etienne delivered a report of current Health Risk Assessment (HRA) completion. The HRAs are slowly being completed with the City having completed 48, the Port having completed two, and the Park Board having completed four. Each entity should remind employees to complete an HRA to avoid the rush near the deadline of September 30, 2018. If flexibility is needed for HRA restrictions exceptions can be requested to enable the clinics to allow employees to complete their HRAs sooner than the 11-month requirement.

Mark Murchison: Do we have an idea of who is currently eligible for an HRA?

Matthew Gauen: We can get that information for the next meeting.

Stewart Goff: Has the 11-month waiting period been a big issue?

Christy Shinn: We have not had many people with this issue; however, when employees let us know, we can have the wait period adjusted by contacting the clinic.

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Mareia Schreiber: If we see evidence that this is an issue, we can have it on next month's agenda to decide if any action is needed.

- 6. Financial reports year-end December 2017, to include large claim cases and reimbursement by SA Benefit Services as reinsurer for year effective 10/1/2017.**

Michael Loftin went over the City's financial report. FY 2014 ended with \$178,000, contributions over expenses; FY 2015 ended \$55,000 in the negative; FY 2016 ended \$586,000 in the negative; and FY 2017 ended \$852,000 in negative. The Plan does have stop loss reimbursement forthcoming that will aid in adjustments. For FY 2018, the budget is in balance. The estimate that is provided may not have prepared fully for prescription drugs and may need to be reevaluated.

Kent Etienne: Matthew Gauen and I have been speaking about some of the numbers presented by Boon-Chapman. Stacey Minton mentioned that the end of FY 2017 looks similar to what was expected. Stacey will present a financial report at the next meeting. We are waiting on \$380,000 in stop loss reimbursement for last year and another \$50,000 for this year. The Board will need to look ahead at rates and benefits for the upcoming year. Boon-Chapman negotiated the Plan's rates with CareMark to help save \$39 per prescription. It is estimated this will lead to a savings of \$300,000 this year. These savings help, but the Board will still need to react and make changes to the Plan where needed. Last year, there were 16 major claims over \$87,000. The year before, there were six claimants, and the year before that there were nine. The type of year the Plan had for 2017 is one that is expected to occur about every ten years.

- 7. Discuss and consider for action any matters related to the CareHere Clinics currently utilized by members of the City's Health Plan.**

Kent Etienne: The City spends about \$145,000 a year for the League City CareHere Clinic. This may not seem like a large number overall, but we do need to pay attention to the cost of the clinic in comparison to the usage. Most of the City's usage is at the Galveston and Texas City locations.

Doug Balli: It looks like the Texas City and Galveston locations are \$850,000 combined.

Stewart Goff: We need to see how many of our members are going to each clinic.

Matthew Gauen: A report can be pulled to show overall usage over a period of time for each clinic. This can be available at the next meeting.

Stewart Goff: Would costs increase at the Galveston and Texas City locations if we ended use of the League City clinic?

Kent Etienne: That information is needed. When paying for the use of a clinic, we are also contributing towards the lease and the facilities bills.

Matthew Gauen: A report with operating costs can be provided.

Stewart Goff: We need to see the true costs and potential savings to determine if we want to continue use of the League City location.

Michael Loftin: The City of League City has left usage of the clinic which does change the costs and how they are divided between participating groups.

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Matthew Gauen: The Galveston County Health District has signed on for clinic usage and we are working with other clients. This will impact the costs. More information can be provided at next month's meeting.

- 8. Discuss and consider for action approving the renewal of the Designated Benefit Plan Fiduciary Liability Coverage for Directors and Officers of the City of Galveston Health Benefits Plan Board through Travelers Casualty and Surety Company of America to be effective March 9, 2018, and authorizing all necessary documents to be executed by an authorized representative upon final approval by the City Attorney.**

Mareia Schreiber: Robert Simmons, the City's Risk Manager, has informed me that the rate would be \$3,200 per year for coverage for the entire board.

Motion to Approve the renewal of the Designated Benefit Plan Fiduciary Liability Coverage for Directors and Officers of the City of Galveston Health Benefits Plan Board through Travelers Casualty and Surety Company of America made by Mark Murchison with a second by Stewart Goff. Unanimously approved.

- 9. Discuss tentative date(s) for next Board Meeting.**

Tentatively agreed upon for Wednesday, February 21, 2018 at 1:00 p.m.

- 10. Adjournment.**

Motion to Adjourn made by Stewart Goff with a second by Charles Dodson. Unanimously Approved. The meeting was adjourned at 1:38 p.m.



Doug Balli, Chair

Wednesday, February 21, 2018
Date Approved